

SUMMARY REPORT OF GOVERNANCE COMMITTEE MEETING

Name of Committee	Finance, Resources and Performance Committee
Date of Meeting	13th March 2026
Committee Chair	Alex Anderson

KEY POINTS FROM DISCUSSION AND ESCALATION

ALERT

- Forecast overspend of £44.6m for year-end which was £4.6m worse than Scottish Government expectations, this included £10m Scottish Government support.
- Adult Social Care (ASC) is no longer assumed to break even; full projected overspend of £27.2m was now reflected in the reporting.

ASSURE

- NHS Highland Financial Position (Month 10) Update (Limited)
- Draft Financial Plan 2026/27 agreed to be submitted to Scottish Government
- Risk Register Update (Substantial)
- Operational Improvement Plan Deliverables (Substantial)
- IPQR (Moderate)
- Capital Asset Management Update (Moderate)
- Lochaber Redesign Project Update presented

ADVISE

- Quarterly Committee updates on Lochaber Redesign Project progress until construction begins was agreed.
- Committee acknowledged the financial plan gap could not be reduced by £40m support level but agreed to submit to Scottish Government with narrative clarifying.

RISKS

- The adult social care gap remained a significant structural concern that was not improving
- Applying a 3% savings target to ASC may be unrealistic due to historic non-delivery.
- There remains a lack of clarity from GG&C around the SLA invoice
- Concerns around the continued dependency on supplementary staffing
- Emergency Department performance and persistent high delayed discharges across the Board area
- Emerging concern around rising oil prices due to recent middle east tensions in relation to utility costs, construction inflation and supply chain stability

ACTIONS

- Energy inflation would be added to the risk register

LEARNING